

TOWN OF NEWINGTON
REQUEST FOR PROPOSALS
FINANCIAL ADVISORY SERVICES

The Town of Newington will accept proposals for professional services from those firms interested in serving as the Town's Financial Advisor for future bond issue or short term note financing. All proposals must be submitted in accordance with Town specifications, which are available in the Town Manager's Office. A detailed Request for Proposal (RFP) information packet including general information, requested services, submittal requirements, and evaluation process is available on the Town's website at www.NewingtonCT.gov. Go to "Doing Business", and select "Bid Opportunities". All firms wishing to be considered for this appointment shall submit three (3) copies of their proposals. Submittals shall be clearly marked "RFP No. 1, 2009-10, Financial Advisory Services," and submitted to the Town Manager's Office, Town of Newington, 131 Cedar Street, Newington, CT 06111 by 2:30 PM on July 31, 2009. The Town reserves the right to reject any or all proposals.

John L. Salomone
Town Manager

RFP No. 1, 2009-10

TOWN OF NEWINGTON
REQUEST FOR PROPOSALS
FINANCIAL ADVISORY SERVICES

GENERAL INFORMATION

The Town of Newington, Connecticut is soliciting proposals for the purpose of obtaining the services of a qualified financial advisor for a future bond issue or short term note financing.

BACKGROUND

The Town of Newington is a suburban community with a population of just under 30,000 residents. In November 2009, the voters may be asked to approve via referendum a resolution appropriating approximately \$10 million for improvements to Newington Town Hall. The Town has \$16,855,000 in bonds outstanding as of June 30, 2009. The Town's general obligation bond rating continues to carry the Aa3 Moody's rating and AA rating from Standard & Poor's. Both of these credit ratings were re-affirmed in 2005 as part of the Town's last bond sale. As of June 30, 2009 the Town had no BAN's outstanding or bonds authorized but unissued.

SCOPE OF SERVICES

The financial advisor shall provide services to the Town with respect to the issuance and management of debt that will include, but not be limited to:

- A. Review and recommend the structure of the issue and timing of sales.
- B. Coordinate bond and/or note issues with Town officials, municipal bond counsel and credit rating agencies to include the following:
 - 1. Assist in developing a debt financing and feasibility plan, terms of debt maturity and payment dates, analyze refunding opportunities that may exist with the Town's current outstanding debt, alternative methods of financing, tax rate impact computations and other statistical information particular to the debt issuance at hand and the Town's overall debt position, taking into consideration all future debt to be issued.
 - 2. Coordinate all current and future short-term and long-term debt issuances with Town officials, bond counsel, and credit rating agencies, including, but not limited to the following:
 - a. Review and recommend the structure and timing of issues.
 - b. Prepare recommended time schedules for all phases of each financing.
 - c. Maintain coordination with bond counsel to meet all legal requirements.

3. Assist the Town in the preparation of the Preliminary and Final Official Statements including gathering and coordinating the information from various Town departments.
 4. Proofing of the Preliminary and Final Official Statements before distribution.
 5. Assist in arrangement for the printing of the Preliminary and Final Official Statements, and the reprinting of the cover page, as required by the Securities Exchange Commission Rule Number 15C, 2-12.
 6. Distribute the Notice of Sale and Preliminary and Final Official Statement to a comprehensive list of municipal bond dealers, banks, and any potential purchasers.
 7. Assist in the scheduling and preparation of the presentation to the credit rating agencies, such as, but not limited to, Moody Investors Service and Standard and Poor's.
 8. Provide assistance for the acceptance of proposals received on the day of the sale. Examine each bid to determine whether all bidding requirements have been met, prepare a calculation of True Interest Cost, and a recommendation as to acceptance or rejection of bids.
 9. Coordinate the final closing and settlement to have proceeds wired directly into the Town's current operating account and the payment of any outstanding bond anticipation notes or callable bonds.
 10. Assist the Town in securing, or providing, Paying Agency services for bonds and notes.
 11. Should circumstances require municipal bond insurance, assist the Town in coverage qualification and, if necessary, making presentations to municipal bond insurance companies. Analyze premium costs and the impact on the financing rate.
 12. Attend occasional meetings with Town officials, boards and committees and make presentations when requested.
- C. Review and make recommendations regarding the planning of debt issuances as they relate to the Town's Capital Improvement Plan (CIP) program.
1. Identify and evaluate financing alternatives available to the Town, including debt restructuring options.
 2. Upon request, assist in capital planning with Town officials.
- D. Review and make recommendations on the debt policy of the Town.
- E. Define credit enhancements and call provisions.

QUALIFICATIONS

- A. Each firm must specify the lead individual, with title and qualifications of the individual that will be assigned to the account. It is recommended that this be the individual with the most experience and qualifications in the organization.
- B. Each firm must provide a list of 5 references of clients serviced in the past two years, with similar services as required here, including names, addresses, phone numbers and a contact person.
- C. Each firm may include any rating upgrades with which the lead individual from your organization may have been directly involved.

REQUIREMENTS

Nondiscrimination

The Contractor shall agree and warrant that it will not discriminate or permit discrimination against any person or group of persons on the grounds of sex, race, color religion age, marital status, ancestry, national origin, past history of mental disorder, mental disability, physical disability, or other basis in any manner prohibited by the laws of the United States, the State of Connecticut, or the Town of Newington.

Hold Harmless

The Contractor agrees to indemnify and save harmless the Town of Newington, its agents and employees from and against all loss and/or expense (including costs and attorney's fees) arising out of or resulting from the performance of the work by reason of liability imposed by law upon the Town of Newington, its agents and employees for damages because of bodily injury, including death at any time resulting therefrom, sustained by any person or persons (including employees of the Contractor or any subcontractor) or on account of damage to property, including loss of use thereof, whether such injuries or damages are caused in whole or in part by the negligence of the Contractor, its agents, servants, and/or employees.

Insurance

The Contractor shall furnish a certificate of insurance to the Town Manager for the following insurance coverage within ten (10) days from contract execution. All insurance coverage shall be written with an insurance company licensed to conduct business in the State of Connecticut. Insurance coverage shall remain in full force for the duration of the contract term including any and all extensions. Such certificate of insurance shall specify that the Town of Newington will receive thirty (30) days notice of any cancellation, non-renewal or reduction in coverage and limits originally provided.

1. Commercial General Liability including Premises-Operations, Independent Contractors, Blanket Contractual, Products and Completed Operations:
\$1,000,000 Each Occurrence
\$2,000,000 Aggregate

Combined Single Limit for personal injury or property damage or both combined.

Such policy shall name the Town as additional insured.

Errors and Omissions coverage for \$1,000,000

2. Comprehensive Automobile Liability covering owned, non-owned, hired or leased vehicles.
\$1,000,000 Each Accident

Combined Single Limit for bodily injury or property damage or both combined.

3. Workers Compensation Insurance in accordance with Connecticut State Statutes.

Employers Liability Limit - \$100,000.

Proposals

1) Submission

All proposals must be submitted in accordance with Town specifications, which are available in the Town Manager's Office and on-line at www.newingtonct.gov. All firms wishing to be considered for this appointment shall submit three (3) sets of the proposal. Proposals shall be concisely worded based on the criteria, format and requirements set forth in the request for proposals. Submittals shall be clearly marked "RFP No. 1, 2009-10, Financial Advisory Services", and submitted to the Town Manager's Office, Town of Newington, 131 Cedar Street, Newington, CT 06111 by 2:30 P.M. on July 31, 2009. In order to provide the requested service to the Town, the respondent must be able to demonstrate the expertise, ability and flexibility to successfully complete this work.

- 2) The Proposal itself shall be organized in the following format and information sequence. In addition, one copy of a recent Official Statement which the organization prepared as financial advisor should accompany the submittal.

Section I. Introductory Section: Provide a letter of introduction signed by an authorized representative of the firm (2-3 pages maximum) that identifies the position sought, provides an executive summary highlighting major points of the proposal, and certifies there will not be any conflict of interest in serving as the Town's Financial Advisor.

- Section II. State the full name and address of your organization. Include the names of lead professional personnel, titles, qualifications, and departments to be assigned to the Town account.
- Section III. Provide a brief description of your firm, including qualifications, experience, depth of staff, quality control, ongoing employee training programs and demonstrating your ability to be the Town's financial advisor. Identify special licensing or registrations held by professional(s) assigned account responsibilities with a state, federal or other regulatory agency particular to financial services, consulting or advisory services, and your adherence to those requirements.
- Section IV. Include a resume and list of engagements of those individuals who will act in an advisory capacity for the Town.
- Section V. Provide a list of 5 references of clients serviced in the past two years, with similar services as required here, including names, addresses, phone numbers and a contact person.
- Section VI. Describe in dollar volume, number of issues, method of sale, date of issue and type of issue (open space, education, roads, library, sewer, etc.), the note and bond issues for which your firm has acted as financial advisor since July 2006.
- Section VII. Describe any successful experience your firm had in assisting a municipality achieve an upgrade in its bond rating and how you would propose to assist the Town of Newington in achieving an upgrade in its bond rating.
- Section VIII. Provide the fee schedule that your firm will use to charge the Town for providing services as outlined in the Scope of Services. This schedule should include a description of the manner in which compensation to the firm would be determined for services rendered as Financial Advisor for complete financing as well as for advice and consulting services not directly related to any specific financing program as detailed in the Scope of Services section.
- Provide a list of services not covered by the proposer's fee (out-of-pocket services) for a typical general obligation bond sale. Examples of out-of-pocket services may include, but are not limited to, rating services fees, printing and mailing of the Offering Statement, printing of bonds, publishing notices on bond sales, travel costs, and any other expenses to be paid by the Town in connection with any bond or note sales.
- Section IX. What are the factors that you believe that the Town should emphasize in selecting its financial advisor? Why does your firm best meet the Town's financial advisor needs?
- Section X. Include any topics not covered in the Request for Proposal which you wish to disclose to the Town which further describe your firm's level of qualifications as a financial advisor.

Prior to the opening of Proposals, proposers may correct, modify, or withdraw their proposals. A proposer who wishes to withdraw a Proposal must make the request in writing to the Town's Purchasing Agent. Any correction or modification to a Proposal must be submitted in writing and in a sealed envelope clearly identifying the envelope as being a correction or modification to the Proposer's Proposal.

SELECTION PROCESS

The Town shall conduct a preliminary evaluation of all proposals on the basis of the information provided with the proposal; the ability of the respondent to perform, past performance, ability to meet time requirements, principals assigned to the project, technology capabilities, and an understanding of the work to be performed and the needs of the Town. Based on this initial evaluation, the Town may select respondents whose services most closely meet the Town's needs to make an oral presentation.

Each finalist will be initially evaluated in accordance with the criteria set forth below:

- A. Qualifications, experience and activity of the personnel to be assigned in meeting the scope of services. These criteria include the ability of the respondent to meet the scope of services of the RFP and any special considerations which the respondent feels may increase its ability to perform the contract.
- B. Technical approach of the work. Emphasis here is on the techniques for providing the services requested and the respondent's capability to deliver the desired service on schedule.
- C. Reasonableness of costs. Efficiency and economy are very important to the Town. This area will not necessarily be the primary deciding factor in the selection process.
- D. References.
- E. Conflict of Interest. Explain in detail any existing or potential conflict of interest that would be created by your firm's representation of the Town of Newington.

OTHER

Services to be provided under this RFP shall only be provided after written authorization is received from the Town. The Town of Newington reserves the right to use some, all or none of the various services outlined herein. The Town reserves the right to reject any and all proposals when it deems such action is in the best interests of the Town and also to select a respondent that the Town determines best meets its needs. All services performed as a result of this Request for Proposals shall be completed to the satisfaction of the Town Manager. The Town reserves the right to terminate any agreement after ten (10) calendar days following written notice of failure by the Contractor to provide service to the satisfaction of the Town Manager. All exceptions of the respondent to the terms and requirements of this Request for Proposals shall be made in

writing and submitted in full with the proposal. For all other terms and requirements, submission of a proposal constitutes acceptance by the respondent.

QUESTIONS

All questions regarding this request for proposals shall be directed to Ann Harter, Director of Finance, Town of Newington, 131 Cedar Street, Newington, CT 06111, telephone (860) 665-8525, fax (860) 665-8670 or e-mail to aharter@newingtonct.gov. Office hours are 8:30 a.m. to 4:30 p.m., Monday through Friday. All questions shall be presented on or before the close of business on July 28, 2009 to allow for the preparation and distribution of written addenda. Any written addenda shall be posted on the Town's website (www.newingtonct.gov) at least 48 hours before the response deadline.